



CITY OF PHILADELPHIA

WATER DEPARTMENT
ARA Tower at Reading Center
Philadelphia, Pa. 19107-2994

JOHN PLONSKI
WATER COMMISSIONER

September 11, 1991

Mr. William Bulman
Chief, Municipal Wastewater Construction Branch
Water Management Division
U.S. EPA, Region III
841 Chestnut Street
Philadelphia, PA 19107

Re: City of Philadelphia v. Delcora

Dear Mr. Bulman:

I would like to thank you for volunteering to act as an arbitrator to settle the dispute between the City and Delcora. Unfortunately, Delcora despite its Agreement, continues to reject arbitration.

Every attempt the City has made to reason with Delcora has been rejected. It appears that our next step will be to formally notify all affected regulatory agencies that we can no longer continue to treat Delcora's wastewater once our present contract expires. Also, I will send you a copy of the City's response to Delcora's most recent letter.

Once again, thank you for offering your time and skills to help resolve the dispute. Your expertise and fairness could have put an immediate end to this matter. Unfortunately, it appears that Delcora is neither interested in a quick nor a fair resolution of this matter.

Very truly yours,

A handwritten signature in dark ink, appearing to read "R. L. Coy".

RONALD L. COY
Deputy Water Commissioner

RLC:bs

cc: Joe Clare

Chuck

Salient Issue

ISSUE: The City of Philadelphia has notified the Delaware County Regional Water Quality Control Authority (DELCORA) of the City's intent to terminate wastewater treatment service for DELCORA, effective March 15, 2004.

CONSTRUCTION

GRANT PROJECT: City of Philadelphia, Pennsylvania
Numbers C-420786-01 through -08
Grant Amount: \$219M

BACKGROUND: DELCORA contracts with the City to have wastewater treated at Philadelphia's Southwest Plant. Approximately 50 MGD of the 200 MGD Southwest Plant capacity is reserved for DELCORA.

According to Philadelphia, DELCORA is \$5M behind in wastewater billings. Litigation is involved.

Two issues are in dispute: reimbursement by DELCORA for capital funding of the Plant expansion, and the 1990 rate increase.

Philadelphia has asked DELCORA to resume negotiations. The City has also agreed that if negotiations do not succeed, Philadelphia will accept the decision of an independent arbitrator. Mr. William Bulman, Chief of the Municipal Wastewater Construction Branch has agreed to act as the arbitrator in the capital funding dispute.

ACTION: None at this time. The Water Management Division will continue to monitor developments in this matter.

Chuck Fogg
Waste Management Division
August 20, 1991



SPA

CITY OF PHILADELPHIA

WATER DEPARTMENT
ARA Tower at Reading Center
1101 Market Street
Philadelphia, Pennsylvania 19107-2994

KUMAR KISHINCHAND, P.E.
WATER COMMISSIONER

September 2, 1992

Mr. Nicholas F. Catania
Executive Director
DELCORA
P. O. Box 999
100 E. Fifth Street
Chester, PA 19016

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SEP 2 8 1992
WATER DEPARTMENT
1101 MARKET STREET
PHILADELPHIA, PA 19107-2994

Dear Mr. Catania:

This letter is intended to provide notice of a change in your rates for wholesale wastewater service, effective December 1, 1992. The new rates are shown in the attached letter report from our rate consultants, Black & Veatch, dated September 1, 1992.

Using our records of flows and strengths of wastewater delivered by DELCORA for the year ended June 30, 1992, and applying the new rates we currently estimate your annual billings to be \$10,037,000. In budgeting for this service you should recognize that future flows and strengths, and therefore actual billings, may differ from estimates based on historical data.

In view of DELCORA's stated desire to review rate changes in a timely fashion, Mr. James Palladino, of my staff, is sending additional documentation of the rate increase under separate cover. If you or Mr. McCourt have any questions on this matter, please feel free to contact Mr. Palladino at 592-6167. We hope you understand the continuing pressure on costs which necessitate this increase to outside and inside City wastewater customers.

Very truly,

for Kumar Kishinchand, P.E.
Water Commissioner

KK/JP/ds

49% increase
to 3 million dollars
1.6 56% to DEW



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MAR 16 1992

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ARA Tower at Reading Center
1101 Market Street
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KUMAR KISHINCHAND, P.E.
WATER COMMISSIONER

March 4, 1992

William Bulman
3WM00
U.S. EPA Region III
841 Chestnut Street
Philadelphia, PA 19107

Re: Termination of Wastewater Treatment
Services to the Delaware County
Regional Water Quality Control
Authority (Delcora)

Dear Mr. Bulman:

The purpose of this letter is to provide your agency with formal notice that the City of Philadelphia will not continue to treat the wastewater coming from Delcora when our current contract expires on March 15, 2004.

As you may be aware, Delcora has failed to meet its financial obligations to the City and has used every mechanism possible to prevent a timely resolution of our existing disputes. Therefore, we have no other choice but to take this action.

Before deciding on this course of action, the City took every conceivable step to work with Delcora in a spirit of regional cooperation. However, years of reasoning and negotiation proved fruitless.

It is not our intention to involve you in our dispute with Delcora. However, it is our intention to give your agency sufficient time to take whatever actions it deems appropriate to insure that Delcora will have the ability to treat its own wastewater from its eastern service region by March 15, 2004.

Letter to William Bulman
March 4, 1992
Page 2

Should you have any questions regarding our decision or should you like a more detailed explanation as to why we are taking this action, please feel free to call me at 592-6103 so we may set up a meeting.

I thank you for your time and consideration.

Very truly yours,

A handwritten signature in blue ink that reads "Kumar Kishinchand". The signature is written in a cursive style with a large, stylized 'K'.

KUMAR KISHINCHAND
Water Commissioner
City of Philadelphia

KK:bs

cc: Mayor Edward G. Rendell
Managing Director R. Eugene Shipman

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West Trenton, NJ 09628
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Executive Director
Delaware Valley Regional
Planning Commission
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6. Mr. John Trainer
U.S. EPA Region III
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7. Charles Fogg
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KUMAR KISHINCHAND, P.E.
WATER COMMISSIONER

March 4, 1992

Charles Fogg
3WM31
Philadelphia Coordinator
U.S EPA Region III
841 Chestnut Street
Philadelphia, PA 19107

Re: Termination of Wastewater Treatment
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Regional Water Quality Control
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Letter to Charles Fogg
March 4, 1992
Page 2

Should you have any questions regarding our decision or should you like a more detailed explanation as to why we are taking this action, please feel free to call me at 592-6103 so we may set up a meeting.

I thank you for your time and consideration.

Very truly yours,

A handwritten signature in blue ink that reads "Kumar Kishinchand". The signature is fluid and cursive, with the first name "Kumar" and last name "Kishinchand" clearly distinguishable.

KUMAR KISHINCHAND
Water Commissioner
City of Philadelphia

KK:bs

cc: Mayor Edward G. Rendell
Managing Director R. Eugene Shipman

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RONALD L. COY
Deputy Water Commissioner

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EPA, R3. WATER MANAGEMENT DIVISION
MUNICIPAL WASTEWATER CONSTRUCTION BRANCH